

BATAVIA DEVELOPMENT CORPORATION



GOVERNANCE COMMITTEE CHARTER

This Governance Committee Charter adopted on this the 26th day of September, 2018 by the Board of Directors of the Batavia Development Corporation, (“BDC”) a local development corporation established under the laws of the State of New York.

Purpose

Pursuant to Article III, Section 15, of the BDC’s bylaws, the purpose of the Governance committee is to assist the Board by:

- Keeping the Board informed of current best practices in corporate governance;
- Reviewing corporate governance trends for their applicability to the BDC;
- Updating the BDC’s corporate governance principles and governance practices; and
- Advising those responsible for appointing directors to the Board on the skills, qualities and professional or educational experiences necessary to be effective Board members.
- Nominating candidates for various offices including, but not limited to President, Vice-President, Secretary and Treasurer.

Powers of the Governance & Nominating Committee

The Board of Directors has delegated to the Governance & Nominating Committee the power and authority necessary to discharge its duties, including the right to:

- Meet with and obtain any information it may require from BDC staff;
- Obtain advice and assistance from counsel, accounting and other advisors as the committee deems necessary;
- Solicit, at the BDC’s expense, persons having special competencies, including legal, accounting or other consultants as the committee deems necessary to fulfill its responsibilities. The governance committee shall have the authority to negotiate the terms and conditions of any contractual relationship to the Board’s adopted procurement guidelines as per Public Authorities Law Section 2879, and to present such contracts to the Board for its approval.

Composition and Selection

The membership of the committee shall be as set forth in accordance with and pursuant to Article III, Section 15 of the BDC's bylaws. The Governance & Nominating Committee shall be comprised of the Board President and the Elected Officers of the BDC including the Vice-President, Treasurer and Secretary. The ex-officio member of the board will also be a member of the committee. The committee must be comprised of three "independent members", within the meaning of, and to the extent required by, Section 2825 of New York Public Authorities Law, as amended from time to time.

Other Governance & Nominating committee members shall be appointed by, the Board President. The Board President shall designate one member of the Governance & Nominating Committee as its Chair. The members shall serve until their resignation, retirement, removal by the Board or until their successors shall be appointed and qualified. When feasible, the immediate past governance & nominating committee Chair will continue serving as a member of the Committee for at least one year to ensure an orderly transition.

The Governance & Nominating Committee members should be knowledgeable or become knowledgeable in matters pertaining to governance.

Committee Structure and Meetings

The Governance & Nominating committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. All committee members are expected to attend each meeting, in person or via videoconference.

A meeting agenda will be prepared for every meeting and provided to the governance & nominating committee at least two days in advance of the scheduled meeting, along with the appropriate materials needed to make informed decisions. The Governance & Nominating Committee shall act only on the affirmative vote of a majority of the members. Minutes of these meetings are to be recorded.

Reports

The Governance & Nominating committee shall:

- Report its actions and recommendations to the Board at the next regular meeting of the Board;
- Report to the Board, at least annually, regarding any proposed changes to the governance charter of the governance guidelines;
- Provide a self-evaluation of the governance & nominating committee's functions on an annual basis.

Responsibilities

To accomplish the objectives of good governance and accountability, the Governance & Nominating Committee has responsibilities related to: (a) the BDC's Board; (b) evaluation of the BDC's policies; and (c) other miscellaneous issues.

Relationship to the BDC's Board

The Board of Directors has delegated to the governance committee the responsibility to review, develop, draft, revise or oversee policies and practices for which the governance committee has specific expertise, as follows:

- Develop the BDC's governance practices. These practices should address transparency, independence, accountability, fiduciary responsibilities, and management oversight;
- Develop the competencies and personal attributes required of Directors.

In addition, the Governance & Nominating committee shall:

- Develop and recommend to the Board the number and structure of committees to be created by the Board;
- Develop and provide recommendations to the Board regarding Board member education, including new member orientation and regularly scheduled board member training to be obtained from state-approved trainers;
- Develop and provide recommendations to the Board of performance evaluations, including coordination and oversight of such evaluations of the board, its committees and senior management in the BDC's governance process.

Evaluation of the BDC's Policies

The Governance & Nominating committee shall:

- Develop, review on a regular basis, and update as necessary the BDC's code of ethics and written policies regarding conflicts of interest. Such code of ethics and policies shall be at least as stringent as the laws, rules, regulations and policies applicable to state officers and employees;
- Develop and recommend to the Board any required revisions to the BDC's written policies regarding the protection of whistleblowers from retaliation;
- Develop and recommend to the Board any required revisions to the BDC's equal opportunity and affirmative action policies;

- Develop and recommend to the board any required updates on the BDC's written policies regarding procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence the BDC's procurement process;
- Develop and recommend to the Board any required updates on the BDC's written policies regarding the disposition of real and personal property;
- Develop and recommend to the Board any other policies or documents relating to the governance of the BDC, including rules and procedures for conducting the business of the BDC's Board, such as the BDC's by-laws. The Governance & Nominating Committee will oversee the implementation and effectiveness of the by-laws and other governance documents and recommend modifications as needed.

Other Responsibilities

The Governance Committee shall:

- Annually review, assess and make necessary changes to the Governance & Nominating committee charter and provide a self-evaluation of the governance committee.